



Department of Medical Assistance Services  
600 East Broad Street, Suite 1300  
Richmond, Virginia 23219  
<http://www.cns.state.va.us/dmas>

# MEDICAID MEMO

**TO:** All Mental Health Clinics participating in the Virginia Medical Assistance Program and Health Maintenance Organizations providing services to Virginia Medicaid recipients

**FROM:** Dennis G. Smith, Director  
Department of Medical Assistance Services

**SUBJECT:** Clarification of Reimbursement for Physician Direction of Mental Health Clinics

MEMO	Special
DATE	12-8-00

The purpose of this memorandum is to provide clarification of the reimbursement for physician direction of Mental Health Clinics.

The Department of Medical Assistance (DMAS) has received requests for clarification of reimbursement policy in regard to the physician direction requirement for mental health clinics. We have been informed that some clinics did not seek reimbursement because they were unclear on the requirements.

The requirements for physician direction were reiterated in the Second Edition *Mental Health Clinic Manual* released in April. A revision in June clarified the specific timeframes. The requirements stated in June are that there may be up to three sessions or no more than 30 days, whichever is less, before the face-to-face interview with the physician must take place. In addition, there must be documentation that the physician reviewed the medical history and intake assessment, confirmed the diagnosis, and reviewed and signed the plan of care. There also must be documentation that the physician reviewed the progress and need for continued care every six months. For dates of service prior to the issuance of the Second Edition *Mental Health Clinic Manual*, DMAS required that the physician document a face-to-face visit and sign the plan of care prior to billing DMAS.

For Mental Health Clinics, the Community Services Board must employ or contract with a physician, and there must be clear documentation in the client's record that the physician signed the plan of care and provided continuing oversight of care delivery. Documentation must also be present that demonstrates supervision of the unlicensed staff. If this documentation is present, and the services were not billed, the clinic may seek reimbursement up to 12 months from the date of service delivery.

If you have any questions please call the Provider HELPLINE. (See "HELPLINE" on page 2 for details.)

## COPIES OF MEDICAID MEMORANDA AND PROVIDER MANUALS

DMAS publishes searchable and printable copies of its provider manuals and Medicaid memoranda on the Internet. Please visit the DMAS website at <http://www.cns.state.va.us/dmas/>. Click on "Provider Manuals" for Medicaid and SLH provider manuals or click on "Provider Information" to see Medicaid memoranda. The Internet is the fastest way to receive provider information.

## HEALTH MAINTENANCE ORGANIZATIONS

This Medicaid Memo is provided for information only.

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**"HELPLINE"**

The "HELPLINE" is available Monday through Friday from 8:30 a.m. to 4:30 p.m., except State holidays, to answer questions. The "HELPLINE" numbers are:

786-6273	Richmond area
1-800-552-8627	All other areas

Please remember that the "HELPLINE" is for provider use only.